

KENTUCKY PUBLIC EMPLOYEES’ DEFERRED COMPENSATION PLANS

Performance Results of Investment Options - Without Plan Asset Fee Charges

The following are the approximate percentage changes in Net Assets (with capital gains and income dividends reinvested) for the mutual fund alternatives under the Plan, without reductions for Plan Asset Fee Charges, for the respective periods ending June 30, 2002:

Investment Options <i>(fund class inception date)</i> # On Watch List	Total Return		Average Annual Return			
	Three Month	One Year	Three Year	Five Year	Ten Year	Since Inception*
CATEGORY						
Stable Value:	Current Yield					
Fixed Contract Fund (12/92) (1)	5.85%	1.37%	5.91%	6.21%	6.31%	6.22%
Money Market:**						
Federated Prime Obligations Fund (Instl Shares)	1.86%	0.46%	2.50%	4.60%	4.93%	4.78%
	Net Asset Value June 30, 2002					
Bonds:						
Federated U.S. Government Securities Fund: 2-5 Years (Instl Shares)	\$11.24	3.97%	8.52%	7.55%	6.85%	6.22%
Vanguard GNMA Fund (Admiral Shares) (02/01) (2)	\$10.55	3.66%	8.86%	8.38%	7.43%	7.17%
Vanguard Total Bond Market Index Fund (Admiral Shares) (09/01) (2)	\$10.13	2.82%	7.21%	7.74%	7.32%	7.18%
Vanguard Long-Term Corporate Fund (Admiral Shares) (02/01) (2)	\$8.71	4.31%	9.64%	7.81%	7.52%	8.12%
Balanced:						
Vanguard Wellington Fund (Admiral Shares) (05/01) (2)	\$45.71	-4.58%	-0.48%	3.26%	7.72%	11.66%
Large-Cap Stocks:						
Fidelity Equity-Income Fund	\$45.19	-9.80%	-10.18%	-3.00%	5.19%	12.25%
Davis NY Venture Fund (Class A)	\$22.75	-9.94%	-14.50%	-3.93%	5.72%	13.99%
Vanguard Institutional Index Fund	\$90.48	-13.41%	-18.02%	-9.11%	3.74%	11.47%
Gartmore Total Return Fund (Class D) †	\$17.00	-9.67%	-9.89%	-9.02%	3.58%	10.55%
Fidelity Magellan Fund	\$88.37	-13.72%	-20.11%	-9.47%	4.26%	11.08%
Fidelity Contrafund	\$42.38	-3.68%	-3.58%	-3.29%	7.99%	13.88%
Putnam Investors Fund (Class A) #	\$9.75	-12.40%	-25.12%	-15.02%	0.62%	10.23%
MFS Massachusetts Investors Growth Stock Fund (Class A)	\$10.55	-15.87%	-26.17%	-10.95%	5.42%	12.46%
Fidelity Growth Company Fund	\$39.87	-19.65%	-32.04%	-7.64%	4.81%	12.03%
Putnam Voyager Fund (Class A)	\$14.42	-15.92%	-25.08%	-9.74%	3.34%	11.30%
Mid-Cap Stocks:						
One Group Mid-Cap Value Fund (Class A)	\$15.39	-6.35%	0.00%	9.52%	11.74%	13.10%
Vanguard Mid-Cap Index Fund (Admiral Shares) (5/98) (2)	\$51.48	-9.33%	-4.67%	6.96%		8.98%
T. Rowe Price Mid-Cap Growth Fund	\$35.27	-10.96%	-10.66%	1.94%	9.88%	16.79%
Federated Kaufmann Fund (Class K)	\$3.99	-8.06%	-8.77%	11.24%	8.11%	15.66%
Franklin Small-Mid-Cap Growth Fund (Class A)	\$25.27	-16.63%	-24.33%	-0.95%	4.21%	14.29%
Small-Cap Stocks:***						
American Century Small-Cap Value Fund (Investor Class) (7/98)	\$8.30	-3.71%	10.74%	20.26%		18.29%
Neuberger Berman Genesis Fund (Trust Class) (8/93) (3)	\$29.78	-5.07%	4.86%	15.22%	11.16%	15.36%
Dreyfus Small-Cap Stock Index Fund (6/97)	\$14.70	-6.49%	-0.25%	8.00%	7.88%	7.89%
Brown Capital Management Small Company Fund (Institutional Class) (7/92)	\$26.16	-22.88%	-19.27%	8.30%	12.21%	13.53%
INVESCO Small Company Growth Fund (Inv Class)	\$9.81	-12.80%	-28.18%	-4.07%	5.21%	12.47%
International Stocks:****						
Janus Worldwide Fund	\$37.99	-12.57%	-22.51%	-6.80%	3.08%	11.74%
Templeton Foreign Fund (Class A)	\$9.63	-0.52%	0.32%	1.55%	3.24%	8.01%
Putnam International Growth Fund (Class A)	\$19.18	-4.77%	-9.70%	0.30%	6.33%	11.23%
T Rowe Price International Stock Fund †	\$10.58	-4.94%	-10.28%	-7.01%	-2.24%	5.38%
Federated International Small Company Fund (Class A) (2/96)	\$17.75	-4.57%	-15.96%	-7.25%	6.07%	11.60%
Specialty/Sector Funds:*****						
The Dreyfus Premier Third Century Fund (Class A) (8/99) (4)	\$7.31	-15.49%	-25.92%	-13.92%	0.43%	8.32%
INVESCO Telecommunications Fund (Inv Class) (8/94)	\$8.85	-28.40%	-62.80%	-34.00%	-7.05%	2.86%
Janus Global Technology Fund (12/98)****	\$8.55	-24.67%	-41.28%	-17.86%		-3.79%
Munder NetNet Fund (Class A) (8/96) #	\$10.67	-31.47%	-56.71%	-37.53%	-0.23%	4.54%
MARKET INDICES						
Three Month Treasury Bill Index		0.44%	2.46%	4.46%	4.67%	4.59%
Lehman Brothers Aggregate Bond Index		3.70%	8.63%	8.11%	7.57%	7.34%
Standard & Poor’s 500 Stock Index		-13.40%	-17.99%	-9.18%	3.66%	11.43%
Standard & Poor’s Mid Cap 400 Index		-9.31%	-4.72%	6.66%	12.57%	15.06%
Russell 2000 Index		-8.35%	-8.60%	1.67%	4.44%	10.96%
MS Europe, Australia, Far East Index		-1.93%	-9.21%	-6.49%	-1.25%	5.71%
Indices are available for information and comparison only.						

(1) The stable value fund, under the investment management PRIMCO, is a portfolio of investment contracts issued by insurance companies, banks and other financial institutions. This is not a publicly traded fund.

(2) Returns include performance based on the “Investors” Class which was achieved prior to the operation of the “Admiral” Class. The returns prior to this date have not been recalculated using fees applicable to Admiral Class shares.

(3) Returns include performance based on the “Investors” Class which was achieved prior to the operation of the “Trust” Class. The returns prior to this date have not been recalculated using fees applicable to Trust Class shares.

(4) Returns include performance based on the “Z” Class which was achieved prior to the operation of the “A” Class. The returns prior to this date have not been recalculated using fees applicable to A Class shares.

* Return since fund class first came into existence if less than period indicated.

** An investment in a money market fund is not insured or guaranteed by the FDIC or any other government agency. Although the money market fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the money market.

*** Small company funds involve increased risk and volatility.

**** International investing involves additional risks including: political instability, currency fluctuations, differences in accounting standards, and foreign regulations.

***** Since each of these funds focuses its investments on companies involved in one specific sector, the fund may involve a greater degree of risk than an investment with greater diversification

† Closed effective May 31, 2002.

N/A = return not available

Note: Any comparisons should be made only after a recognition of the differences in the investment policies and objectives of the companies’ investments. The performance data quoted represents past performance, and the investment return and principal value will fluctuate so that an investor’s shares, when redeemed, may be worth more or less than their original cost. The money market fund current yield is the annualized historical yield for the 7-day period ending on the last day of the calendar quarter. Market indices have been provided for comparison purposes only; they are unmanaged and reflect no fees. Individuals cannot invest directly in an index. The Fixed Contract Fund has an annual Plan recordkeeping fee of .35% and the Authority’s fee on the other Board Administered funds will not exceed a maximum Plan recordkeeping fee of .35%. None of the above reflect the deduction of any Plan charges which may be assessed to Plan participants, which would reduce the performance quoted. However, the underlying fund expenses are reflected. Ask your Plan Services Representative for a current prospectus for each fund in which you are interested. The current prospectus presents more complete information about the mutual fund including fund charges and expenses. Read it carefully before investing in that option under the Plan. PAST PERFORMANCE DOES NOT GUARANTEE FUTURE PERFORMANCE.